

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

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Petition of Boston Edison Company and  
Commonwealth Electric Company, d/b/a NSTAR  
Electric, for Approvals relating to the Renegotiation  
of Purchase Power Agreements with  
Northeast Energy Associates Limited Partnership

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D.T.E. 04-85

**INITIAL BRIEF OF  
THE ATTORNEY GENERAL**

Respectfully submitted,

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**INITIAL BRIEF OF THE ATTORNEY GENERAL**

**I. INTRODUCTION**

This case concerns a Petition (“Petition”) by Boston Edison Company (“Boston Edison”) and Commonwealth Electric Company (“Commonwealth”), d/b/a NSTAR Electric (the “Company” or “NSTAR Electric”), for Department approval of the renegotiation of four power purchase agreements (“PPAs”) with Northeast Energy Associates Limited Partnership (“NEA”) and related rate recovery.

**II. PROCEDURAL HISTORY**

On September 29, 2004, pursuant to G.L. c. 164, §§1A, 1G, 76, 94 and 94A, NSTAR Electric filed a Petition with the Department for approval of the renegotiation of the NEA contracts. On October 27, 2004, the Department conducted a public hearing and a procedural conference to establish a schedule for discovery, hearings and briefs.

The Department conducted an evidentiary hearing on November 18, 2004. During the evidentiary hearing, NSTAR Electric presented two witnesses to testify in support of its proposal, Geoffrey O. Lubbock, Vice President of Financial Strategic Planning and Policy for NSTAR Electric, and Robert B. Hevert, President of Concentric Energy Advisors, Inc (“CEA”).

### III. THE COMPANY'S PROPOSAL

NSTAR Electric has four existing PPAs to purchase power from the NEA generating unit in Bellingham, Massachusetts: (1) the first Boston Edison PPA ("NEA A"), dated April 1, 1986, is for 46.6 percent of the unit; (2) the second Boston Edison PPA ("NEA B"), dated January 28, 1988, is for 28.9 percent of the unit, but is capped so as not to exceed 68 MW in the summer and 92 MW in the winter; (3) the first Commonwealth PPA ("NEA 1"), dated November 26, 1986, is for 8.6 percent of the unit; and (4) the second Commonwealth PPA ("NEA 2"), dated August 15, 1988, is for 7.2 percent of the unit. Exh. NSTAR-GOL, pp. 11-12. The term of the NEA A, NEA 1 and NEA 2 agreements run through September 15, 2016 and the NEA B agreement runs through September 15, 2011. *Id.*, p. 12.

After conducting a 2003 auction for all of the Company's remaining PPA contracts, including the NEA contracts, the Company claims that the NEA bid was the lowest viable bid<sup>1</sup> and created the greatest possible reduction in above-market costs.<sup>2</sup> Exh. NSTAR-RBH, p. 23. On August 19, 2004, the Company and NEA executed the renegotiated agreements<sup>3</sup> that are the subject of the Company's Petition.

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<sup>1</sup> Working with its consultant CEA, the Company assigned a market value to the NEA PPAs using variables such as (1) the market price of energy and capacity, (2) the projected energy production, and (3) in the case of NEA 1, projected fuel price escalation. Exh. NSTAR-RBH, p. 27. CEA used a discount rate of 7.82 percent for the evaluation of these contracts and bids. *Id.*

<sup>2</sup> The Company calculated above-market costs as the present value of the difference between the expected total cost under the PPA terms and the market value based on the Henwood Energy Service Inc.'s ("Henwood") Northeast Electricity and Gas Price Outlook for Fall 2003, with updates in March and May, 2004 for years 2004 through 2006 ("Northeast Electric and Gas Price Forecast"). Exh. NSTAR-RBH, p. 19.

<sup>3</sup> There are five agreements: the Bellingham Execution Agreement and four Amended and Restated PPAs. Exh. NSTAR-GOL, p. 12.

If the Department approves the Company's Petition, the Company would resell all the delivered energy and capacity it receives from NEA and pay the proceeds of that sale to NEA. Exh. NSTAR-GOL, p. 13. The above market costs will not be affected by the quantity of the power products, however, the terms of the Amended and Restated agreements, including quantity of delivered output and the lengths of the contracts, remain consistent with those of the existing contracts. *Id.* According to the Company, the proposed agreements will result in approximately \$52 million in customer savings on a net present value basis.<sup>4</sup> Exh. AG-1-37. The Company also asks the Department to approve its proposal to pass the costs relating to the proposed agreements through the respective transition charges of Boston Edison and Commonwealth.

#### **IV. STANDARD OF REVIEW**

The Company is required to mitigate to the maximum extent possible the total amount of transition costs recovered from customers and to minimize the impact of recovery of transition costs on ratepayers. G.L. c. 164 §1G(d)(1) (the "Restructuring Act"). Mitigation efforts in which the Company must engage include (1) "...good faith efforts to renegotiate, restructure, reaffirm, terminate or dispose of existing contractual commitments for purchased power which exceed the competitive market price for power..."; (2) "...examination and analysis of the historic level of performance over the life of such contractual commitments for purchase power, regardless of whether or not they exceed the competitive market price..."; and (3) "...any other mitigation and analytical activities which the

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<sup>4</sup> The Company originally claimed that customer savings would be \$191 million on a net present value basis. Exh. NSTAR-GOL, p. 24. During the proceedings, the Company revised this estimate based upon new forecast data. Exh. AG-1-37. The new customer savings data indicate that on an overall basis there are estimated savings; however one of Boston Edison's amended and restated contracts, NEA-B, is estimated to be an uneconomic and will cost customers more than the current contract. To mitigate this damage, the Company proposes to allocate a portion of Commonwealth's savings to Boston Edison. Exh. AG-1-37 and Tr. 1, pp. 15-17.

department determines to be reasonable and effective mechanisms for reducing identifiable transition costs.” G.L. c. 164 §1G(d)(1)(ii), (iii), (vi).

According to the Restructuring Act, the Department, beginning July 1, 1998, and at least annually thereafter, shall review purchased power contracts approved on or by December 31, 1995 in order to determine if the contracts contain a price for electricity that is above-market as of the date of review. G.L. c. 164 §1G(d)(2)(i). If the Department determines a contract to be above-market, the electric company and the seller shall attempt to make a good-faith effort to renegotiate the contract in order to achieve further reductions in the transition charge. G.L. c. 164 §1G(d)(2)(i).

When evaluating the divestiture of generation assets, the Department reviews whether the divestiture process was equitable and structured to maximize the value of the assets being sold. *Cambridge Electric Light Company and Commonwealth Electric Company / Pittsfield Generating Company, L.P.*, D.T.E. 04-60, p. 21 (2004), citing *Western Massachusetts Electric Company*, D.T.E. 00-68, p. 12 (2000). The Department has relied on the auction process to determine whether a transaction involving a non-generating asset maximizes mitigation of transition costs. D.T.E. 04-60, p. 21 citing *Western Massachusetts Electric Company*, D.T.E. 01-99, p. 10 (1999) and *Cambridge Electric Light Company*, D.T.E. 01-94, p. 10 (1999). Also, the Department determines whether a company has indeed maximized the level of mitigation. *Cambridge Electric Light Company/Canal Electric Company/Commonwealth Electric Company*, D.P.U./D.T.E. 97-111, p. 64 (1998). The Department is authorized to approve the recovery of costs associated with a contract restructuring if the buyout is likely to achieve customer savings and is otherwise in the public interest. G.L. c. 164 §1G(b)(1)(iv).

The Department must also determine whether the proposed contract termination is reasonable.

*See Plymouth Rock Energy Associates, L.P.*, D.P.U./D.T.E. 92-122-B (1999). In assessing the reasonableness of an agreement, the Department must review all available information to ensure that the agreement is consistent with the public interest and complies with the precedent governing buyouts of purchase power contracts. *Commonwealth Electric Company*, D.P.U. 91-200, p. 5-6 (1993); *Boston Edison Company*, D.P.U. 92-183 (1992) (Department approved termination agreement of a purchase power contract with Down East Peat, L.P.).

## **V. ARGUMENT**

The Department should reject the Company's petition because the Company has failed to establish that, by entering into the proposed Bellingham Execution Agreement (the "Agreement"), it has met the maximum mitigation requirement of the Restructuring Act. The Company does not know the amount it will actually pay at the time of contract closing until the closing date, rendering any savings projections speculative. The Company's and CEA's valuation of the existing PPAs is flawed. The Company's proposal to allocate any benefit it receives between Boston Edison and Commonwealth creates a subsidy of costs between the companies' customers.

### **A. THE CLOSING PAYMENT AMOUNT IS SUBJECT TO TOO MANY UNCERTAINTIES FOR THE COMPANY TO CLAIM IT MAXIMIZES THE MITIGATION OF ABOVE-MARKET COSTS.**

Because the final closing amount is unknown, it is difficult to determine if the Company is maximizing the mitigation of transition costs in its Petition. The Closing Payment in the Agreement consists of two components, the Adjusted Bid Price Amount and the Closing Date Amount. Tr. 1, p. 134; Exh. NSTAR-1, Appendix A, p. 16. If, on the closing date, the Closing Payment Amount is positive, the Company will pay that amount to NEA and if the Closing Payment Amount is negative,

NEA will pay that amount to the Company. Exh. NSTAR-1, Appendix A, Section 5.5(a), p. 16.

The first component of the Closing Payment Amount, the Adjusted Bid Price Amount, is dependent on energy costs in effect near the date of the closing. Exh. NSTAR-1, Appendix A, p. 3. The Agreement describes a cap to the Adjusted Bid Price Amount<sup>5</sup> and conditions upon which the payment will be made<sup>6</sup>. *Id.* On November 16, 2004, in response to recent large increases in natural gas prices<sup>7</sup>, the Company and NEA amended the section of the Agreement that describes the Closing Payment. Exh. NSTAR-2; *see* Exh. AG-1-37. The amendment creates a new cap range, negative \$80,000,000 to positive \$2,433,547, and eliminates NEA's ability to waive the cap if the Adjusted Bid Price is less than negative \$80,000,000. *Id.* If the Adjusted Bid Price is greater than positive \$2,433,547, the Company may still elect to pay the greater amount to NEA. *Id.*; Exh. NSTAR-1, Appendix A, p. 16.

The Adjusted Bid Price will not be final until the closing and, since it is very sensitive to energy and natural gas prices, may fluctuate greatly until the actual closing date. *See* NSTAR-1, Appendix A, Schedule 1, pp. 00431-35. On the closing date, the Adjusted Bid Price could be a cost to the Company's customers rather than savings. Because of the uncertainty of the Adjusted Bid Price Amount, any savings the Company may claim are purely speculative.

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<sup>5</sup> The cap in the original Agreement is plus or minus \$15,000,000 from the bid price, \$12,566,453, creating a range for the Adjusted Bid Price to be between negative \$27,566,453 and positive \$2,433,547. Exh. NSTAR-1, Appendix A, p. 16.

<sup>6</sup> If the calculation of the Adjusted Bid Price on the closing date was either above or below the range established by the cap, either the Company, if the amount was positive, or NEA, if the amount was negative, could choose to waive the cap and pay the actual amount or allow the revised Adjusted Bid Price to be recalculated daily until it came within the range. *Id.*

<sup>7</sup> Upon receiving the most recent data from the Henwood fall 2004 forecast, the Company recalculated its originally filed base case to reflect this increase in natural gas prices. Exh. AG-1-37, p. 2.

The second component of the Closing Payment Amount, the Closing Date Amount, is the difference between what the Company actually paid under the existing PPAs and what it would have paid under the Amended and Restated Agreements as if the Amended and Restated Agreements had been in place from April 1, 2004 to the closing date<sup>8</sup>. Exh. AG-1-37, p. 2. The Company originally estimated the Closing Date Amount would be \$39.1 million assuming a closing date of December 31, 2004. Exh. NSTAR-GOL-3. During the proceedings, the Company updated its estimate to be \$53.6 million with the same assumed closing date.<sup>9</sup> Exh. AG-1-37 (a)(Supp). The Company, however, does not know when the Agreement will close or how much the actual Closing Date Amount will be at closing. The anticipated Closing Date Amount has already increased by \$14.5 million from the Company's original estimates and may continue to increase.<sup>10</sup> See RR-AG-1. Under the terms of the amended and restated agreements, the Company's customers initially will be paying costs that are higher than the costs under the existing NEA contracts. Exh. AG-2-20. It is not clear from the Company's analysis whether the anticipated benefits of lower costs will result in customer savings or further increase costs to certain customers.<sup>11</sup> The Company's proposed front loading of costs in the

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<sup>8</sup> The Closing Date will be no later than March 31, 2005. Tr. 1, p. 94.

<sup>9</sup> The Company recalculated its schedules to incorporate more actual data such as invoice payments for the months of September and October, and revised estimates based on the new Henwood Fall 2004 forecast. Exh. AG-1-37 (a).

<sup>10</sup> If the closing date were not until March 31, 2005, the estimated Closing Date Amount is \$60.84 million, an increase from the original estimates of \$28.7 million. RR-AG-1.

<sup>11</sup> Boston Edison's customers will actually pay more to NEA under the terms of the proposed amended and restructured agreements. See Exh. AG-1-37. This result is contrary to the legal mandate of maximum mitigation of transition costs. G.L. c. 164 §1G(d)(1). The Company's solution to this untenable result is to take benefits away from Commonwealth's customers to the level that eliminates the harm to the Boston Edison customers. Exh. AG-1-37. The Department generally rejects this type of subsidy as discussed below.

restructured contracts introduces a higher level of risk that customers may not benefit and, in fact, may be harmed more than in other contract restructurings that have been recently presented to the Department. *See Cambridge Electric Light Company/Commonwealth Electric Company/Altresco*, D.T.E. 04-60 (2004); *Boston Edison Company/Ocean State Power*, D.T.E. 04-68 (2004); *Boston Edison Company/Commonwealth Electric Company/MASSPOWER*, D.T.E. 04-61.

The Adjusted Bid Price and the Closing Date Amount will not be certain amounts until the closing date, which will be after any Department approval. The Company is seeking the Department's approval to incur an unknown level of costs that will be passed on to customers. This is the equivalent of the Company having a "blank check." Since the Closing Payment Amount is so uncertain, the Company has not met the requirement that it maximized the mitigation of costs. The Department, therefore, should reject the Company's Petition.

**B. THE COMPANY'S AND CEA'S EVALUATION OF THE EXISTING NEA CONTRACTS IS FLAWED.**

The Company's auction consultant, CEA, evaluated the bids based on its estimate of the market value of the existing NEA contracts. The electricity market values were taken from a single source, Henwood forecasts of New England spot electricity prices.<sup>12</sup> Recently, ISO-NE has filed with Federal Energy Regulatory Commission ("FERC") a tariff for a Locational Installed Capacity ("LICAP") that would significantly raise capacity market prices in New England.<sup>13</sup> CEA does not know how capacity

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<sup>12</sup> The Henwood changed its name to Global Energy Decisions ("Global"). Tr. 1, pp. 98-99. The terms Henwood and Global are used interchangeably.

<sup>13</sup> In response to the ISO-NE filing, the Attorney General joined NSTAR and others to protest and offer expert testimony to quantify the impact the proposed rates will have on customers and to provide an alternative to the proposed tariff. *See* FERC Docket No. ER03-563-030, Exhibit No. AG Mass., et al-1.

cost requirements were incorporated by Henwood in developing the New England market prices. Tr. 1, pp. 112-113; RR-AG-3.

CEA's failure to understand how a significant cost component is reflected in the market prices used to value the NEA agreements represents a major, if not fatal, short coming of the economic analysis of the proposal. The magnitude of the expected LICAP burden is overwhelming. According to the Company's FERC testimony, prices for capacity will increase from a low of \$3.64 per kilowatt-month in 2006 to \$13.02 in 2010. Exh. AG-1, p. 14. These rates will be paid to all eligible generators. *Id.*; FERC Docket No. ER03-563-030, Exhibit No. AG Mass., et al-1, p. i. The existing NEA contracts include capacity and will allow the Company to effectively avoid paying the LICAP rate for the approximately 275 MW of NEA capacity under the contracts. According to the prices calculated in the Company's FERC testimony, the NEA LICAP value is approximately \$118 million during the first five years that the LICAP proposal is in effect.<sup>14</sup>

In response to a record request, the Company has attempted to determine the affect that the LICAP prices proposed by the ISO-NE would have on the economic benefits of the proposed NEA contract restructuring. RR-AG-3. The most recent Global Energy Decision's forecast of market prices addresses the ICAP market in New England. Exh. AG-1-36 (a) supplemental, Section 5, Results. The Fall 2004 document contains a forecast of capacity values along with a discussion of capacity markets. It is not clear how Global Energy Decision incorporated the capacity values in its forecast of electricity market prices that CEA relied upon in evaluating the NEA contracts. In responding to the request to

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<sup>14</sup> See Exh. AG-1; FERC Docket No. ER03-563-030, Exhibit No. AG Mass., et al-1, p. 14 of 59, Table 3 (LICAP prices). The prices from Table 3 are multiplied by the NEA available capacity (95% of 275,000 kW=261,250 kW). For each of the five years the available capacity is multiplied by the corresponding monthly rate and the result is multiplied by 12 (months) to arrive at the annual value. The five years are totaled producing the \$118 million.

explicitly recognize the capacity market value of the contracts based on the NSTAR testimony, the Company adjusted the forecasted market prices to include the prices in its FERC testimony. RR-AG-3. In making the adjustment, the Company made a number of assumptions. *Id.* First the Company assumed that there is a direct correlation between the values for capacity shown in Global Energy Decision's forecast of "Capacity Revenue Value" and that the capacity values were incorporated in the market prices on a dollar for dollar basis. *Id.* There is no record evidence to support this assumption. It is possible that Global included a range of capacity prices in determining the market electricity prices forecasted. Global used a range when including fuel prices, ancillary service prices and generating unit performance in its forecast of market prices. Exh. AG-1-36 (a) (Supplemental), pp. 5-11, 5-13, and 5-15. It is also possible that Global included the ICAP prices in such a way that the electricity prices include capacity components only during certain months as was done in the forecast provided by NewEnergy. D.T.E. 04-60, Exh. AG-3-10 (a). In determining its Annual Firm Energy Prices for each zone, NewEnergy incorporated the capacity prices by allocating the prices to the months of June, July, August and September and converting the prices to per kilowatt hour values for the 16 peak week day hours in those months. *Id.*

Another assumption the Company made is that Global directly incorporated its forecasted ICAP prices, which are denominated in \$/kW-yr., into its forecasted electricity market prices, which are denominated in \$/kWh, by using a system wide capacity factor of 62%. RR-AG-3. Again, there is no record evidence to support this assumption.<sup>15</sup>

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<sup>15</sup> On November 29, 2004, the Attorney General asked the Company to supplement its response to RR-AG-3 in order to clarify the Company's methods used to reflect ICAP prices in the economic analyses presented. Although the Company did not object to providing this clarification to the Attorney General, the Hearing Officer has ordered the Company not to provide it, resulting in the Department not having a complete record.

The Company also makes several assumptions regarding the projection of the LICAP costs in the Company's FERC testimony that are incorrect and substantiated. The Company's testimony includes LICAP prices for five years, 2006 through 2010. The NEA analysis extends through the year 2016 and the Global capacity price forecast goes through 2028. To extend the Company's LICAP values through the NEA analysis period, the Company averages the values for years 2006 through 2009.<sup>16</sup> The Company treats its FERC testimony prices as nominal values, something that is not clear from its testimony. The Company fails to inflate the prices used to compute the average price and does not inflate the average price for the years 2011 through 2016.

The methods employed by the Company appear to be needlessly complicated and may be the product of a bias to continue to show savings under any circumstances. A simpler and more direct way of incorporating the Company's projection of LICAP prices into the economic analysis of the NEA restructuring is to compare the difference between the Global price and the Company's FERC testimony price on a per kW-yr. basis. This comparison establishes a difference between the two values on an annual basis. The difference is the incremental price projected by the Company over the costs that are believed to be included in the Global market prices. The incremental price can be applied to NEA's annual available capacity to produce an incremental market value that should be

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<sup>16</sup> In its narrative explaining its response to RR-AG-3, the Company states

“the period from 2006-2010 includes an anomalous period with high capacity values in 2009/2010 and a relatively low price period in 2006, it was decided to average **these** years to arrive at a value for capacity for the last six years.”

Emphasis added. RR-AG-3. From this explanation it could be assumed that the Company had averaged the years 2009, 2010 and 2006, **these** years. However, it did not. The Company averaged years 2006-2009. See electronic spreadsheet response to RR-AG-3 (a), worksheet, LICAP CALC, cell E 17. The “Note” on this worksheet indicates that the average is yet another combination of years, 2006-2008.

included in the model supporting CEA's analysis (Exh. NSTAR RBH-6 as supplemented in Exh. AG-1-38 (b)) to produce the results requested in RR-AG-3.

In RR-AG-3, the Company indicates that the benefits of the proposed restructuring decrease from 10.97% to 10.68%. When some assumptions are changed and some errors are corrected, the change in the economics of the restructuring is more dramatic. If prices in the Company's FERC testimony are in current dollars and the LICAP prices for 2011 and beyond are based on an average of all the years actually calculated by the Company, and the incremental LICAP value is based on the difference between the Global capacity prices and the FERC testimony prices expressed as dollars per kW, the economics of the restructured contracts are negative.<sup>17</sup> In other words, the restructuring proposal is likely to cost the Company's customers more than continuing under the terms of the current contracts.<sup>18</sup>

The proposed amended and restated contracts are likely to cost customers when the LICAP market is introduced. At the time the contracts were put up for bid the LICAP market and prices were not well defined. If the ISO-NE proposal, currently pending approval before FERC, is approved, the NEA contracts' value is greatly increased. The Attorney General is joined by the Company and others in opposition to the LICAP proposal; but other entities are also opposing ISO-NE and seeking higher prices. The Department has approved PPA buyouts and restructurings based on the showing that there are likely savings. *See* D.T.E. 04-60; D.T.E. 04-68. In this case, there are likely costs and, therefore, the Department should reject the Company's proposed restructuring and advise the Company to wait

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<sup>17</sup> The Attorney General will provide the supporting calculations in his reply brief.

<sup>18</sup> When a discount rate that is more in line with what residential customers face as a marginal borrowing rate is used, the cost of the restructured contracts is even more damaging. If a 10% discount rate is used, the loss doubles.

until the LICAP and other market rule changes take effect that may enhance the value of the current NEA arrangements.

**C. THE COMPANY’S PROPOSAL IMPROPERLY PROVIDES BENEFITS TO BOSTON EDISON CUSTOMERS AT THE EXPENSE OF COMMONWEALTH CUSTOMERS.**

The Department should reject the Company’s proposed NEA-B restructuring agreement based on its precedent regarding cross-subsidization. Because Boston Edison’s NEA B contract is no longer economic based on the most recent Henwood data, the Company proposes to take a portion the estimated savings away from Commonwealth customers and transfer the benefit to Boston Edison’s transition charge so that the Boston Edison customers will not be harmed by higher costs as the result of the amended and restated NEA contracts. Tr. 1, pp. 56-57. Department generally rejects the subsidization of one group of customers by another. *Massachusetts Electric Company*, DTE 95-40, p. 141 (1995) (rate design goal to set class rates to cover costs of serving the class of customers). *Investigation into Interruptible Transportation*, DTE 93-141-A, p. 14 (1996) (natural gas transportation services to remain a monopoly function in order to prevent cross-subsidization of interruptible customers by core customers).

In addition to requiring Commonwealth customers to pay higher transition charges, the transfer of the estimated benefit conceals the underlying problem that the proposed NEA contract is uneconomic. See Exh. AG-1-38<sup>19</sup>. The Department should not approve such an uneconomic

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<sup>19</sup> CEA’s Exhibit NSTAR-RBH-6 does not show the economics of the individual contracts; however, combining the data in Exh. AG-1-37 (supp) att (b), the estimated Adjusted Bid Price associated with each contract and the individual contract bid prices shown in Exh. AG-1-38 (a) results in the NEA-B contract costing customers over \$12 million more than the current contract on a present value basis. See attached Appendix A for an annotated page from Exh. AG-1-38 (a) supporting the calculation. Based on the response to RR-AG-3 (the economics of the restructured contracts based on the Company’s LICAP prices), the cost to Boston Edison customers is more than \$20 million for the restructured NEA-B contract.

restructuring arrangement. Given the proposed cross subsidization, if the Department determines that overall benefits are the prevailing concern, the Department should require that the Company's shareholders not benefit from any mitigation incentive the Company would earn on the Boston Edison side of the transaction. The Department should require that any Boston Edison mitigation incentive related to the approved NEA restructuring should be transferred to the Commonwealth transition charge as partial compensation to Commonwealth customers.

## **VI. CONCLUSION**

For these reasons, the Department should reject the Company's Petition.

Respectfully submitted,

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